

**MINUTES OF THE
COASTAL REGIONAL COMMISSION COUNCIL
November 13, 2013
Richmond Hill City Center, Richmond Hill, GA
10:05 A.M.**

CALL TO ORDER: Vice Chairman Jason Coley called the meeting to order at 10:05 a.m. Invocation was provided by Shaw McVeigh, followed by the Pledge of Allegiance.

MEMBERS PRESENT: Reggie Loper, Jimmy Burnsed, Julie Martin, Craig Root, Sean Register, Walter Gibson, Herb Jones, Shaw McVeigh, Joe Brannen, William Miller, Herb Hill, Harold Fowler, Tom Ratcliffe, Dan Coty, Margaret Evans, Kelly Spratt, Donald Lovette, Bill Deloughy, J.C. Warren, and Jason Coley.

MEMBERS ABSENT: Mary Hunt, Jim Thomas, Linda Barker, Chap Bennett, Hugh Hodge, Chris Blaine, Allen Brown, David Boland, Gwendolyn Davis, Matthew Barrow, Willis Keene, Edna Jackson, Robert Long, Ken Lee, Russell Keen, and Al Scott.

EX-OFFICIO MEMBERS PRESENT: Dorothy Glisson, Screven County and Clarence Knight, Kingsland;

GUESTS: Frank Parker, Statesboro, Jack Butler, Chatham MPC; Jennifer Fordham, DCA; Clark Byron, Savannah Business Journal; Bill Massey and Chris Zambito, Dewberry; Mayor Mary Warnell, Pembroke; Lewis Spears and Bonnie Martin, DHS/OFSS/TSS; Michael Rich, St. Marys; Gary Straight, Camden Chamber; Chris Edwards, Auditor; Dina McKain, Fort Stewart; Suzanne Van Perreren; SINCR; Mayor Daisy Pray, Walthourville; Kathryn Murph, U.S. Senator Saxby Chambliss, Jared Downs, U.S. Senator Johnny Isakson; and Anna Chafin, Bryan County Development Authority.

STAFF PRESENT: Allen Burns, Executive Director; Lena Geiger, Finance Director; Lupita McClenning, Planning and Government Services Director; Don Masisak, Transportation Director; Lauren Robesky, Economic Development Director, and Colletta Harper, Administrative Services Director.

APPROVAL OF MINUTES: Vice Chairman Coley requested approval of the minutes from the October 9th meeting.

Motion: Chairman Jimmy Burnsed
Second: Commissioner Walter Gibson
Vote: Unanimous

NEW BUSINESS

Approval of FY13 Comprehensive Annual Financial Report– *(See Attachment 1, attached herein and made a part of these minutes.)* Budget & Finance Committee Chairman Jimmy Burnsed reported the committee had met and reviewed the Audit and found everything to be in order. Mr. Chris Edwards, Clifton, Lipford, Hardison & Parker, LLC, commended Lena for doing an excellent job in preparing the document; the Comprehensive Annual Financial Report (CAFR) is the highest caliber report that can be issued, and means that management understands the process.

Mr. Edwards then provided a general overview of the Audit. The Transmittal Letter, written by Allen and Lena, provides an overview of the RC, what it does, and highlights any threats or weaknesses. While written by the CRC, the dollar amounts are audited.

The MD & A section shows comparative information and financial highlights; if someone does not have time to read the entire report, they should focus on the MD & A section.

Total assets of the CRC are a little over \$6.7 million and the total liabilities are a little over \$3.4 million. The assets of the CRC exceeded its liabilities by a little over \$3 million; a little over \$1 million is unrestricted and can be used to meet the CRC's ongoing obligations.

The CRC had to use \$350,000 from the general fund for transportation. This was not good and something that does not need to be continued; however, it was discussed with management and realized that it was a necessity. At the request of management, the transportation program was one of the programs tested and no problems were found. There was a brief discussion on the transportation program, the past problems, and steps that are in place to correct the problem. Mr. Edwards expressed that since everyone was aware of the problem and it is on the radar screen that it wouldn't be as bad next year.

Mr. Edwards stated that the state is starting a trend to lessen costs for administrative costs. He stated that the CRC indirect rate is not alarming. His main concern is that if RCs have to go to a direct charge system it would greatly increase the risk of fraud in financial reporting.

Mr. Edwards stated the Management Letter had just been delivered to Lena, and the main comment was that the CRC give more attention to monitoring subrecipients as that is the greatest risk for fraud.

Mr. Edwards stated there were no discrepancies to report and no issues with accounting estimates; staff was very easy to work with and provided all information/documentation requested. Any adjustments the auditors needed to make were just reclassifications and not errors, and this dealt mainly with the capital assets with the leases with the development authority and the City of Darien.

The CRC again receives an unqualified/unmodified opinion which is the best you can receive in an audit. Chairman Jimmy Burnsed stated that the Audit Committee was recommending that the Comprehensive Annual Financial Report be approved.

Motion: Chairman Jimmy Burnsed
Second: Herb Jones
Vote: Unanimous

Approval of Revisions to Flexible Benefit Plan. *(See Attachment 2, attached herein and made a part of these minutes.)* Executive Director Burns referred members to the handout and stated the changes to the Plan included: (1) name change; (2) changing Plan year from March 1 – last day of February to December 1 to the last day of November; and (3) adding vision Insurance, and (4) deleting the brand name “AFLAC” from the supplemental insurance. Our insurance representatives have recommended that we amend our Plan Year to correspond with Obamacare Open Enrollment. If we change now, we have a 9.25% increase in insurance rates; if we wait until March it could be as high as 20%. Changing now will lock our rate for a year. A motion was made to approve the changes to the Flexible Benefit Plan.

Motion: Dan Coty
Second: Mayor Margaret Evans
Vote: Unanimous

Approval of Changes to Hours of Operation for Transit. *(See Attachment 3, attached herein and made a part of these minutes.)* Executive Director Burns reminded everyone that when the transportation plan was first developed six years ago, it was a five-year gradual plan of increased charges to the counties; however, when the economy took a turn for the worse, the charge to the counties was frozen. There were a few problems the year before, but we had been assured that everything was going to work out last year. Unfortunately, the balancing

act got out of control. There is now a team effort in place, and Don, Lena, and I are working diligently on this; there will be a slight deficit this year, but smaller buses/vans will be purchased from here on out.

Mr. Don Masisak, Transportation Director, briefly explained the two changes being recommended and the cost savings for the rest of the year. Maintenance of busses is a growing problem and we are now requiring TPOs to advise us of any major maintenance problems, so a determination can be made if the repair should be made or if the vehicle should be surplussed. The TPOs are now doing their own oil changes, so this is saving money as well. A brief discussion was had on other possible changes to cut down costs. A motion was made to approve the changes as presented.

Motion: Dan Coty
Second: Reggie Loper
Vote: Unanimous

PRESENTATIONS

Biggert-Waters Reform Act of 2012 – *(See Attachment 4, attached herein and made a part of these minutes.)*

Mr. Bill Massey and Mr. Chris Zambito provided a PowerPoint explanation of the Reform Act. After Hurricane Katrina, the NFIP was \$18 billion in debt; after Hurricane Sandy they are now in debt over \$30 billion. The purpose of the legislation is to make the NFIP financially sustainable by changing components of the program including flood insurance, flood hazard mapping, grants, and management of floodplains. After the presentation there was a brief discussion on the challenges this reform will create – decreased pool of buyers, increased vacation rental fees; decreased tourism; reduced tax base; foreclosures of properties, etc. Mr. Jared Downs stated that Congressman Isakson's office had introduced a bill that would delay this act for four years in order to give FEMA time to get everything together – it would not do away with the bill, just delay it.

Partnership with Sapelo Island National Estuarine Research Reserve – Ms. Lupita McClenning, Planning and Government Services Director, presented Ms. Suzanne VanParreren with a NADO Award that we received for the CRC Practicum Series. Our partnership with the Sapelo Island National Estuarine Research Reserve allows the CRC Practicum Series to be recognized as a continuing education activity through the American Institute of Certified Planners (AICP) and links the region to training opportunities to keep up-to-date with latest technologies and best practices.

Appointment of Chairman for the Hazard and Mitigation Planning Committee: Vice Chairman Jason Coley stated that a Chairman needed to be appointed for the Committee. A motion was made to appoint Chairman Kelly Spratt as Chairman of the Committee.

Motion: Craig Root
Second: Chairman Jimmy Burnsed
Vote: Unanimous

OTHER BUSINESS

Update on GARC – GARC Chairman Clarence Knight reported that the 15th Annual Conference was held at the King and Prince on November 6-8. Mike Beatty has stepped away as DCA Commissioner and is now heading up the Great Promise Partnership, Inc., for at-risk youth; he had the opportunity to meet the new Commission Gretchen Corbin. Mr. Knight recommended that Commissioner Corbin and Dr. Roger Tutterow, Professor of Economics at Mercer University be invited to speak at a future council meeting.

DRI Reports: None.

Project Status Reports - (See Attachments 5, 6, 7, 8, and 9 attached herein and made a part of these minutes.)

If anyone has any questions, please see staff after the meeting. A question was raised on the dollar amounts in transportation section of the financial report and Ms. Lena Geiger, Finance Director, responded that this latest report is through the first quarter.

CADDA Report: No questions were raised regarding the CADDA report. (See Attachment 10, attached herein and made a part of these minutes.)

EXECUTIVE DIRECTOR'S REPORT

- Has met the new DCA Commissioner Gretchen Corbin and she should be good to work with.
- Appreciation to Lena and her staff for a job well done on the CAFR.
- Welcomed Screven County Commissioner J.C. Warren back to the Council.
- Last month was busy with the government shutdown and the completion of the Audit.
- 350 people were attended the GARC conference and stayed on the Island simultaneously with the McGladrey Class which had a great economic impact on the Island and Glynn County.
- Liberty County has just announced a new business development.
- Aging Services budget last year received a \$430,000 reduction; just received word of a modification reducing it an additional \$295,000. The CRC will take a \$78,000 cut internally, and we have started the process of notifying service providers. This reduction will affect every type of aging service that we offer. State is also adding additional responsibilities without additional funding. Our I & A dept. will start receiving calls for youth services.
- Appreciation to Jason for filling in as Chairman.

It was asked that when an important issue arises how we coordinate our efforts to let everyone know the position of the CRC. Executive Director Burns responded that in the past the Council has passed resolutions, directed that letters be sent on their behalf to our federal delegation, etc. No face-to-face meetings had been held with legislators, but could be if the Council desired.

ADJOURNMENT: There being no further business, the meeting was adjourned at 12:00 p.m., with lunch following.

NEXT MEETING: The next meeting will be on **Wednesday, January 8, 2014, at the Richmond Hill City Center at 10:00 a.m.**